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SENATE BILL 866

46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003

INTRODUCED BY

Cisco McSorley

AN ACT

RELATING TO TAXATION; DIRECTING TWENTY PERCENT OF GAMING TAX  
PAID BY RACETRACK GAMING OPERATORS TO THE NEW MEXICO STATE FAIR  
FOR USE TO IMPROVE FACILITIES; MAKING AN APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the Tax Administration Act is  
enacted to read:

" [NEW MATERIAL] DISTRIBUTION--STATE FAIR-- GAMING TAX. -- A  
distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be  
made to the state fair commission in an amount equal to twenty  
percent of the net receipts attributable to the gaming tax paid  
by racetrack gaming operator licensees pursuant to Section  
60-2E-47 NMSA 1978 for the purpose of improving the facilities  
and grounds of the New Mexico state fair. "

Section 2. Section 60-2E-47 NMSA 1978 (being Laws 1997,  
. 145993. 1GR

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1 Chapter 190, Section 49, as amended) is amended to read:

2 "60-2E-47. GAMING TAX--IMPOSITION--ADMINISTRATION.--

3 A. An excise tax is imposed on the privilege of  
4 engaging in gaming activities in the state. This tax shall be  
5 known as the "gaming tax".

6 B. The gaming tax is an amount equal to ten percent  
7 of the gross receipts of manufacturer licensees from the sale,  
8 lease or other transfer of gaming devices in or into the state,  
9 except receipts of a manufacturer from the sale, lease or other  
10 transfer to a licensed distributor for subsequent sale or lease  
11 may be excluded from gross receipts; ten percent of the gross  
12 receipts of distributor licensees from the sale, lease or other  
13 transfer of gaming devices in or into the state; ten percent of  
14 the net take of a gaming operator licensee that is a nonprofit  
15 organization; and twenty-five percent of the net take of every  
16 other gaming operator licensee. For the purposes of this  
17 section, "gross receipts" means the total amount of money or  
18 the value of other consideration received from selling, leasing  
19 or otherwise transferring gaming devices.

20 C. The gaming tax imposed on a licensee is in lieu  
21 of all state and local gross receipts taxes on that portion of  
22 the licensee's gross receipts attributable to gaming  
23 activities.

24 D. The gaming tax is to be paid on or before the  
25 fifteenth day of the month following the month in which the

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1 taxable event occurs. The gaming tax shall be administered and  
2 collected by the taxation and revenue department in cooperation  
3 with the board. The provisions of the Tax Administration Act  
4 apply to the collection and administration of the tax.

5 E. In addition to the gaming tax, a gaming operator  
6 licensee that is a racetrack shall pay twenty percent of its  
7 net take to purses to be distributed in accordance with rules  
8 adopted by the state racing commission. An amount not to  
9 exceed twenty percent of the interest earned on the balance of  
10 any fund consisting of money for purses distributed by  
11 racetrack gaming operator licensees pursuant to this subsection  
12 may be expended for the costs of administering the  
13 distributions. A racetrack gaming operator licensee shall  
14 spend no less than one-fourth of one percent of the net take of  
15 its gaming machines to fund or support programs for the  
16 treatment and assistance of compulsive gamblers.

17 F. A nonprofit gaming operator licensee shall  
18 distribute at least sixty percent of the balance of its net  
19 take, after payment of the gaming tax and any income taxes,  
20 for charitable or educational purposes.

21 G. Beginning in fiscal year 2004, twenty percent of  
22 the net receipts attributable to the gaming tax paid by all  
23 racetrack gaming operator licensees in the prior fiscal year  
24 shall be distributed annually pursuant to the Tax  
25 Administration Act to the state fair commission for the purpose

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